

## Difference in costs between renting and owning the average NZ home

NZPIF Study, June 2017

		Rental Owner		Home Owner
Property Value (REINZ NZ Median house price)		\$529,000		\$529,000
Deposit / Investment	10%	\$52,900	20%	\$105,800
Mortgage		\$476,100		\$423,200
Mortgage Interest rate		5.86%		5.86%
Weekly Rent		\$520		
Annual rent		\$27,040		
<b>Annual Expenses</b>				
Mortgage		\$27,899		\$32,287
Insurance		\$1,000		\$1,000
Rates		\$2,400		\$2,400
Property Manager (incl gst)	8.5%	\$2,298		
Other		\$500		\$500
Maintenance as % of rent	8.0%	\$2,163		\$2,163
2 week vacancy provision		\$1,040		
<b>Total expenses</b>		\$37,301		\$38,350
Tax Refund	33.0%	-\$4,084		
<b>Landlords cost</b>		-\$6,177		
<b>Homeowners cost above renting</b>			Annual	\$11,310
			Weekly	\$218

Mortgage interest rate: As at current floating rates for five major banks

Weekly rent: All dwellings, national upper quartile rental price from Bond Centre